



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, JANUARY 31, 1995

AT
(202) 616-2771
TDD (202) 514-1888

**JUSTICE DEPARTMENT WILL FILE ANTITRUST SUIT AND
PROPOSED SETTLEMENT IN SABRELINER/MIDCOAST MERGER**

WASHINGTON, D.C. -- The Department of Justice announced today that it intends to file an antitrust suit and a proposed settlement to remedy the likely harm to competition from a proposed merger of the only two providers of aircraft fueling, cleaning, deicing, and certain other terminal services at Lambert International Airport in St. Louis, Missouri.

The Department will file a civil antitrust complaint in U.S. District Court in Washington, D.C., against Sabreliner Corporation of St. Louis, which last November purchased Midcoast Aviation Inc. from Trans World Airlines. At the same time, the parties also will file a proposed consent decree that requires Sabreliner to divest its transient general aviation fueling facilities at Lambert Field. If approved by the court, the consent decree would settle the suit.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "Sabreliner's merger of its Lambert Field facilities with those of Midcoast would create a monopoly in the sale

(MORE)

of jet fuel to transient general aviation customers using the airport. Unless this divestiture is required, customers using general aviation and other non-scheduled aircraft services landing at Lambert Field will likely face higher fuel prices."

These providers, called fixed base operators, supply terminal services that are typically included in the price of jet fuel sold to the general aviation customer. Last year, general aviation aircraft purchased around \$1 billion of jet fuel from FBOs nationwide.

The proposed consent decree would require Sabreliner to divest either its transient general aviation fueling facilities at Lambert, or, if necessary to attract a purchaser, its entire FBO operation at Lambert.

Once the consent decree is filed with the court, public comments on the decree are invited within the statutory 60-day comment period. At that time, interested persons may address comments to Roger W. Fones, Chief, Transportation, Energy and Agriculture Section, Antitrust Division, U.S. Department of Justice, 555 4th St., N.W., Washington, D.C. 20001.

###

95-059

(MORE)